



Vita Anti-Fraud and Anti-Corruption Policy

Date: July 2021
Subject: Anti-Fraud and Anti-Corruption Policy
Signed: Neil Munday

Anti-Fraud and Anti-Corruption Policy

The purpose of this Policy is designed to ensure that all incidences of fraud and corruption are identified and addressed in an appropriate and timely manner

This Policy applies to the Vita (RTI) Board, all Vita (RTI) employees, including affiliate organisations, and to all paid and unpaid consultants, contractors, interns, secondees and volunteers that provide supplies, services, or support, to Vita (RTI) or promote its work at any location in or out of Ireland. All such parties are referred to as “employee” in this document.

This Policy also applies to Vita (RTI)’s partners, vendors and other third parties, where it is included or referenced in relevant bid or tender documents, agreements, memorandums, purchase orders or contracts.

Version Control

Version no.:	Date	By (Name, Position)	Details of changes	Reviewed and approved by: (name and Position)
1	April 2018	Kevin Gregory, Head of Finance	n/a	Vita Board June 2018
2	July 2021	Neil Munday (Head of Finance and Governance)	Redrafted	ARF 02.09.21 Board 08.09.2021



Vita Anti-Fraud and Anti-Corruption Policy

Contents

Anti-Fraud and Anti-Corruption Policy	1
Introduction.....	3
Who this applies to:.....	3
Definitions	3
Policy statement	5
Facilitation Payments and ‘Kickbacks’	5
Payments under Duress.....	6
Gifts and Hospitality	6
Responsibilities	6
Reporting and investigation	7
Investigating reports of fraud	8
Fraud Investigation Procedures	8
Subsequent Reporting	10
Fraud Circumstances involving Members of the Senior Management Team	10
Training and communication	10
Annual appraisal	10
Disciplinary sanctions	11
Associated policies and procedures	11



Vita Anti-Fraud and Anti-Corruption Policy

Introduction

Vita (RTI) is committed to acting professionally and fairly in all its dealings and relationships, employing the highest standards of openness, transparency and accountability and takes a zero-tolerance approach to fraud, bribery, and corruption.

Vita (RTI) promotes a culture of honesty and integrity, and totally opposes any form of fraud, bribery, or corruption. Fraud, bribery, and corruption impact disproportionately on the poor and the most vulnerable people in the world. Such criminal activities divert resources intended for humanitarian assistance and development away from our intended programme participants; they increase the costs of basic public services; and undermine economic growth. Such actions are a barrier to poverty alleviation and good governance.

The purpose of the Vita (RTI) Anti-Fraud and Anti-Corruption Policy is to provide clear definitions of what we mean by fraud, bribery, and corruption. It is also a definitive statement to everyone associated with Vita (RTI) - making clear that we will not tolerate fraudulent or corrupt activities, and the giving or receiving of bribes.

This policy sets out:

- what is expected of managers and staff in terms of preventing, detecting, and reporting incidences of suspected fraud
- what managers are obliged to do when they are responsible for investigating suspected fraud
- what actions must be taken by senior management on completion of fraud investigations.

The policy summarises the responsibilities of all Vita (RTI) staff and Board members to adhere to and uphold Vita (RTI)'s position on fraud, bribery and corruption.

Vita (RTI)'s Board(s) and Senior Management Teams are committed to the implementation of this policy and to ensuring that training and support is provided to all employees and Board members on its content, and on their individual and collective responsibilities.

Who this applies to:

The Vita (RTI) Anti-Fraud and Anti-Corruption Policy applies as per the cover sheet.

Definitions

What is Fraud?

Fraud is used to describe a range of illegal activities. These include, but are not limited to, deception, forgery, theft, the false reporting or concealment of material facts, collusion, and

Vita Anti-Fraud and Anti-Corruption Policy

corruption (including bribery) and undeclared conflicts of interest (please see Vita (RTI)'s Conflict of Interest Policy).

Examples of fraud other than bribery, include, but are not limited to:

- Theft of money, property, or assets
- Inappropriate use of company assets
- Submitting false expense claims
- Forging, tampering with, or falsely creating documents or records
- Destroying or removing documents or records
- Knowingly creating or distributing false financial information or reports
- Engaging in bribery or corruption
- Deliberately ignoring or acquiescing in fraudulent activity
- Paying an excessive amount for supplies or services through collusion with a supplier
- Wilful misuse of Vita assets or of resources given to Vita by other organisations or parties, and wilful misuse of resources already given to programme beneficiaries or local partners.

What is Bribery & Corruption?

Bribery and corruption have a range of definitions in law. The following is a plain language guide:

Bribery: The offering, promising, giving, accepting, or soliciting of money, gifts, or other advantages in exchange for doing something illegal or breaching an employer's trust.

Corruption: The abuse of entrusted power or influence for private gain.

The following are some examples of attempted bribery:

- A potential supplier offers money or a gift to influence a procurement/tender process.
- A job applicant offers payment or a gift to increase his/her chances of being hired.
- A gift (e.g.: excessive hospitality) offered to a local official in return for approving a proposal.
- A potential or actual programme participant offers a payment in return for allowing him/her or their family to be given aid to which they are not entitled.
- A government official asks for a payment to secure an NGO registration.
- A customs official asks for an unofficial payment or gift to release goods.

What is a Facilitation Payment?

The final two bullets above could be examples of facilitation payments, which are usually a bribe in the form of a small, unofficial payment. It is made to secure or expedite the performance of a routine or necessary action to which the person making the payment has



Vita Anti-Fraud and Anti-Corruption Policy

legal or other entitlement, e.g.: an unofficial payment made to a border guard/officer in return for a speedier crossing.

What are Kickbacks?

Kickbacks are typically payments made in return for a business favour or advantage.

What are Payments under Duress?

Payments made under duress are in response to demands accompanied by threats to life, limb, or liberty.

What are 'Gifts and Hospitality?'

These can range from small gifts or promotional materials (such as diaries and pens) to expensive hospitality (such as a holiday). Extravagant gifts and hospitality may be thinly veiled bribes intended to induce improper behaviour.

Policy statement

Fraud, bribery, or corruption in any form will not be tolerated by Vita (RTI). Where criminality occurs, the loss is not just to Vita (RTI) but, much more importantly, to Vita (RTI)'s programme participants who are some of the poorest and vulnerable people in the world. It may also have a major impact on Vita (RTI)'s reputation and, therefore, donor confidence in Vita (RTI).

This, again, ultimately impacts upon our programme participants. Vita (RTI) will conduct, manage, and monitor all aspects of our work in a way that reduces and hopefully eliminates opportunities for fraudulent or corrupt activity, including the giving or accepting of bribes.

Facilitation Payments and 'Kickbacks'

All Vita (RTI) employees and Vita (RTI) Board members must avoid any activity that might lead to a facilitation payment being made or accepted by or on behalf of Vita (RTI). Vita (RTI) prohibits the making or accepting of facilitation payments and 'kickbacks'. If someone suspects a payment request to be solely for the purposes of facilitation, they should ask that a detailed receipt be provided. If there appears to be no legitimate reason for a request for payment, it should be explained that Vita (RTI) does not make or accept facilitation payments. If a Vita (RTI) employee feels it is safe and appropriate to do so, they should ask to speak to the supervisor of the person requesting the payment. If a receipt can be provided and the Vita (RTI) employee does not suspect the payment is for the purposes of facilitation, a payment will be allowable.



Vita Anti-Fraud and Anti-Corruption Policy

Payments under Duress

It is permissible for a payment to be made in the rare and exceptional circumstances where it is believed necessary to protect against loss of life, limb, or liberty (except in the case of lawful detention). If possible, the circumstances and proposed payment should be discussed in advance with a line manager. In all such cases an incident report must be submitted.

Gifts and Hospitality

The giving or receiving of gifts (other than those deemed to be small promotional items) by or on behalf of Vita (RTI) is not permitted under any circumstances. Vita (RTI) staff and Board members must exercise great caution when offering or accepting hospitality and entertainment.

They must be certain that what is being offered is not designed to gain improper benefit or does not otherwise amount to bribery or corruption.

The providing or accepting of hospitality or entertainment is allowed, if:

- It is not done with the intention of influencing the behaviour of the recipient.
- It is done openly.
- It complies with local law.

If a member of Vita (RTI) staff or Board wishes to offer entertainment or hospitality, it must be authorised by a senior manager in advance.

Responsibilities

Vita (RTI) Board members, Senior Management, Managers, and employees at every level are responsible for protecting Vita (RTI) and the communities we serve from the impact of fraud, bribery, and corruption by always acting in accordance with this policy.

Board of Directors

The Vita (RTI) Board is responsible for ensuring that the organisation has a properly functional internal control and risk management system and expects that all instances of fraud/corruption are brought to its attention by management.

Senior Staff and Managers

It is incumbent upon the management team in Dublin, Country Managers and senior staff to set an example by complying fully with Vita (RTI)'s policies, procedures and controls. Managers and senior staff are responsible for ensuring that employees under their charge are



Vita Anti-Fraud and Anti-Corruption Policy

trained upon and fully understand the Vita (RTI) Anti-Fraud and Anti-Corruption Policy, and the consequences of non-compliance.

Senior staff and managers must be familiar with and alert to the types of fraud that might occur in their area(s) of responsibility. They must:

- Ensure that this policy and all Vita (RTI)'s systems, financial controls and procedures are fully understood by staff.
- Frequently check that these are being fully observed and implemented.
- Regularly review and, where necessary, update control and procedures.

All Employees

It is the responsibility of every Vita (RTI) employee to carry out their work and conduct themselves at all times in such a way as to prevent fraud, bribery, and corruption. All Vita (RTI) employees and Board members must be alert to and report any actual or suspected instances of fraud, bribery and/or corruption.

Responsibility of the Organisation: Periodic Risk Assessments:

The Vita (RTI) Audit, Risk and Finance Committee shall regularly (at minimum once a year) assess fraud and corruption risks as part of its Risk Policy.

Reporting and investigation

If someone connected to Vita (RTI) is offered or asked to pay a bribe, they must refuse and explain that bribery runs totally counter to Vita (RTI) policies. If someone suspects that fraud, bribery, or corruption is, has, or is likely to take place, they must at the earliest opportunity report the matter via the line manager and/or the Vita (RTI) Whistleblowing Policy. The interests and well-being of those making a report will be fully protected by Vita (RTI)'s Protected Disclosures (Whistleblowing) Policy.

Failure on the part of a Vita (RTI) employee or Board member to report suspicions may lead to disciplinary procedures being instigated, up to and including dismissal and/or legal proceedings. If an employee knowingly lodges a false report, this will be regarded as a serious disciplinary offence and dealt with in accordance with Vita (RTI)'s disciplinary procedures.

In exceptional circumstances, where the reporting person has reason to believe that his/her manager is closely associated with the suspected fraud, the reporting person may report to the next highest level of manager, or to the Head of Finance and Governance in Dublin. For all suspected fraud, the most senior manager working in the country office (generally the Country Manager or equivalent) or in head office (generally the Chief Executive Officer) must

Vita Anti-Fraud and Anti-Corruption Policy

be informed of all suspected fraud and will from there on take responsibility for the conduct of the investigation.

The manager receiving the report of the suspected fraud is required to take immediate steps to report the matter to the Head of Finance and Governance and Chief Executive Officer.

When a person who has reported a suspected fraud believes that the manager receiving the report is not dealing with the matter within a reasonable timescale, he/she may follow the Protected Disclosure (Whistleblowing) Policy.

Investigating reports of fraud

The following procedure for Serious Wrongdoing Reporting and Investigation will be as follows:

Managers investigating a suspected fraud must:

- protect the employee reporting the fraud by not revealing the person's identity unnecessarily to other parties
- determine that a reasonable basis for suspicion exists before an investigation is formally launched.
- take steps to conduct the investigation discreetly, and with the maximum possible privacy.
- take due care that employees under investigation are treated fairly, without any advance judgment regarding possible guilt.
- guard against the making of statements relating to an investigation that cannot be upheld subsequently.
- ensure that the incidents, facts or suspicions pertaining to the matter are not discussed unnecessarily with work colleagues or with external parties.

Fraud Investigation Procedures

The Head of Finance and Governance and Chief Executive Officer will oversee and co-ordinate all fraud investigations and will seek professional advice as appropriate.

The Head of Finance and Governance and Chief Executive Officer will liaise with the manager who is deemed to be the appropriate person to investigate the suspected fraud and will determine if the investigation should be handled by this manager. Depending on the circumstances of the matter, the Head of Finance and Governance and Chief Executive Officer may determine to personally conduct the investigation. Where appropriate, the Head of Finance and Governance and Chief Executive Officer will appoint an external professional to conduct, or assist in the conduct of, the investigation.



Vita Anti-Fraud and Anti-Corruption Policy

The Head of Finance and Governance will keep the Board and CEO advised at all stages of the investigation. Where the suspected fraud is likely to lead to substantial losses, the Chief Executive Officer will inform relevant funding agencies (and relevant regulatory bodies) that are supporting programmes potentially affected by the suspected fraud.

The Head of Finance and Governance and Chief Executive Officer will decide if any initial steps are needed to protect Vita's resources while the investigation proceeds, or whether it is necessary to immediately suspend staff closely associated with the suspected fraud, for the duration of the investigation.

The manager investigating a suspected fraud will take steps to secure relevant physical assets, including computer records, and other appropriate evidential material. The investigating manager will maintain a record of the investigation, including details of discussions, meetings interviews, etc., as well as a full listing of all documents examined, of analysis conducted, and the results of all such examinations and analysis.

As it will be necessary to interview all employees relevant to the investigation, such interviews will be conducted discreetly, and persons deemed to be potentially involved in the suspected fraud will be afforded the option of having a personal representative in attendance at such interviews.

The Head of Finance and Governance and Chief Executive Officer will consult where appropriate with HR and legal advisers (as appropriate) as the investigation progresses, in respect of employment law, and conditions of employment pertaining to staff under investigation. The Head of Finance and Governance will seek the advice of the CEO in relation to any disciplinary actions subsequently arising from the investigation.

Upon completion of the investigation, the Head of Finance and Governance and Chief Executive Officer will ensure that the investigator prepares a written report of the findings and recommendations. The recommendations from the investigator must be agreed with the Head of Finance and Governance and Chief Executive Officer, where these persons were not the investigating officers.

The Head of Finance and Governance will present the investigation report to the CEO. In cases of substantial losses, the Head of Finance and Governance and Chief Executive Officer will seek legal advice regarding the possible freezing of the personal assets of the person who has perpetrated the fraud. The CEO will determine the appropriate disciplinary actions in accordance with Vita's disciplinary procedures and will decide if the police will be notified of the outcome of the investigation. The CEO will formally notify the person who has carried out the fraud of the outcome of the investigation, and the proposed disciplinary action. The Head of Finance and Governance and Chief Executive Officer will take all possible legal steps to secure recovery of losses and legal costs from the offending party.



Vita Anti-Fraud and Anti-Corruption Policy

Where the Head of Finance and Governance and Chief Executive Officer realise during an investigation that the fraud is more serious than envisaged initially, they may halt the investigation, and refer the matter entirely to the relevant police authorities. The investigation information gathered to that point will be passed to the police authorities, and disciplinary action will only arise after the completion of police enquiries.

Subsequent Reporting

The Head of Finance and Governance will brief the Board Audit, Risk and Finance Committee on all fraud investigations, including the outcomes of such investigations, and will advise management actions proposed to lessen the possibility of further frauds.

The Chief Executive Officer will report in summary on fraud investigations to each funding agency affected by such frauds.

Fraud Circumstances involving Members of the Senior Management Team

Where circumstances arise in which a member or members of the senior management team are implicated in a fraud or suspected fraud, the Chairperson of the board, or in his/her absence, the Chairperson of the Board Audit, Risk and Finance Committee, acting on behalf of the whole board, will be personally responsible for dealing with all aspects of the fraud investigation and for bringing the matter to an appropriate conclusion. The Chairperson in question will, if necessary, appoint additional board members to support him/her in the whole process, and may appoint an external specialist to assist if required. To the extent that is practicable, the chairperson in question and his/her nominated supporting directors will be guided by this Fraud Policy.

Training and communication

As part of the induction given to new staff and Board members to any Vita (RTI) entity, Vita (RTI) will effectively communicate and provide training on our Anti-Fraud Policy. Ongoing refresher courses and training on anti-fraud will also be conducted.

Annual appraisal

Completion of training on anti-fraud and ensuring that senior staff (and those under their charge) are compliant with this policy will form part of Vita (RTI)'s annual performance appraisals. All staff will confirm that they have read and understood the policy on completion of training and confirm this understanding annually as part of the annual performance appraisal.



Vita Anti-Fraud and Anti-Corruption Policy

Disciplinary sanctions

Violations of this policy will be dealt with in accordance with Vita (RTI)'s Disciplinary Procedure and may result in sanctions, up to and including termination of employment.

Associated policies and procedures

The Vita (RTI) Anti-Fraud and Anti-Corruption Policy is linked to and must be read in conjunction with:

- Protected Disclosures (Whistleblowing) Policy
- Codes of Conduct
- Conflict of Interest Policy
- Complaints and Feedback Policy

Vita (RTI) reserves the right to report any suspected criminal activity to the relevant legal authorities